



TACOMA HOUSING AUTHORITY

RESOLUTION 2016-06-22(5)

Date: June 22, 2016

To: THA Board of Commissioners

From: Michael Mirra
Executive Director

Re: Arlington Drive Land Use Proposal for Youth Housing and Services

This resolution would authorize the Executive Director to do two things: (1) negotiate and sign a letter committing THA to lease its Arlington Drive property to the City of Tacoma (City) for a youth home the City and others would pay to develop for children ages twelve (12) to eighteen (18); the letter will make clear that the commitment is contingent on the Board's approval of a contract with the City and others governing the terms of the arrangement; (2) negotiate that contract for submittal to the Board for its review and approval. The terms of the contract will also include provision for other housing and services for youth.

Background

TACOMA AND PIERCE COUNTY'S GROWING NUMBERS OF HOMELESS YOUTH WITHOUT FAMILIES AND YOUNG ADULTS, AND THE CONSEQUENCES

Tacoma and Pierce County has a worrisome population of homeless youth without families and homeless young adults. The Pierce County 2016 Point in Time Count recorded 65 sheltered and 25 unsheltered youth. The report acknowledges this may be an undercount. Our community has few resources to serve these young people. In the past 30 years up to the present day, Pierce County has had no crisis residential care facility, no stable shelter, and no day use services for their use. Most receive no help. Those who receive services do so within the foster care system, the juvenile or adult criminal justice system, or the mental health system. Sometimes these systems move them to other counties or states.

Here is what we understand homelessness does to youth and young people aged 12 to 24 years:

- Developmental and educational impairments
- Increased exposure to violence, victimization and complex trauma
- Barriers to work and long term employment
- Increased chances of lifelong poverty

- Increased delinquency, criminal behavior as adults and engagement in the criminal justice system
- Increased debt
- 40% increase in likelihood that a young person will exchange sex for food, shelter, drugs
- Higher utilization of acute health services
- Prolonged periods on welfare benefits
- 30% - 50% increase in likelihood of substance abuse
- African American disproportionately experience homelessness
- Increased behavioral health challenges by up to 50% - 60% (depression, anxiety and externalizing behavior are the most prevalent for children and adolescents by)
- Lack of positive life supports
- Weakened or broken relations with family members
- Youth in foster care are at a higher risk for homelessness as adults (some research indicates between 15% and 50% of foster youth experience homelessness)
- Food insecurity
- Parental stress, poor parent-child relationships and negative interactions between parents and their children.
- Poor impulse control

Washington State's child welfare system faces serious challenges in its abilities to address this problem. Child abuse and neglect is increasing. Pierce County has more than its share of children suffering abuse and neglect. It has more such cases than King County, which has a much larger population. Yet placement options (foster home or group care beds) are decreasing. Children's Administration social workers are staying with youth in hotels or sending youth out of state for placement options.

RECENT HISTORY OF THE EFFORTS IN TACOMA AND PIERCE COUNTY TO SERVE HOMELESS YOUTH AND HOMELESS YOUNG ADULTS

The City of Tacoma has approached THA about purchasing one acre of a 3.5 acre parcel of land adjacent to Salishan called Arlington Drive. The City would like to use this property for a crisis residential center (CRC) for youth aged 12-17. The building would be built using City and Pierce County funds. The City would own the building. The City would contract with Community Youth Services (CYS) to operate the CRC. CYS is well regarded a non-profit service provider for these services. Its main operations are in Thurston County. It has recently expanded into Pierce County.

This request to THA comes after over five years of discussion that Pierce County facilitated

about providing housing and services for homeless youth aged 12-24. THA participated in those discussions. That discussion succeeded in identifying the continuum of services these young people need. That continuum requires three elements:

1. A crisis residential center (CRC) for youth aged 12-17 years old. This center would focus on housing youth who are homeless, who are in protective custody due to abuse and neglect, who are otherwise subject to the dependency jurisdiction of the state and have run from foster care system, and youth being referred out of Remann Hall detention because their criminal involvement is related to homelessness.
2. A young adult shelter for people aged 18-24 and a day center for people aged 12-24. These are envisioned to be in the same building.
3. Rental assistance and supportive services for homeless young adults able to rent housing on the private market. The assistance is intended for young adults exiting the shelter as part of a continuum of care for this population.

In 2012, THA worked closely with the County and began funding the rental assistance component of this plan using its Moving to Work (MTW) dollars. By contract with Pierce County THA now provides \$288,000 each year for rental assistance to young adults 18-24. We have spent these funds with good success.

Also in 2012, the City and the County became more involved in these discussions for the other two elements of the strategy. They propose to fund the construction of the CRC and shelter/day center that the City would own. As the owner of the buildings, the City would be responsible for securing the funds necessary to build, purchase and/or rehab the buildings for these two purposes, and to fund their operation. The City has set aside \$2 million in capital for both facilities and the County has set aside \$750,000.

In 2014, the City and County selected Community Youth Services (CYS) to be the service provider to run these two facilities. The timing of the selection was useful so CYS's expertise can inform the choice of location of the facilities. The City, the County and CYS have been looking for locations since 2014, with little success.

As merely an interim measure the COT has contracted with CYS to provide shelter services in the Beacon Senior Center on S 13th and Fawcett. CYS uses this facility to shelter 35 to 40 young adults of both sexes from ages 18 to 24. It shelters them from 6:30 PM to 6:30 AM each day. The young people sleep on cots in a common area. The shelter provides an evening meal through a partnership with Tacoma Rescue Mission and evening programming (games and movies) through the use of volunteers. This shelter is valuable but it is not enough and it is not a healthy place to be. One problem is that the young adults must exit the facility at 6:30 AM each morning, regardless of the weather. They have few options for daytime shelter, services, laundry facilities and food, and services to find them more suitable and stable housing.

During this year's state legislative session, CYS successfully advocated for new funding for homeless youth and young adults. An opportunity for \$600,000 in annual operating funds for a CRC facility in Pierce County will come available in early summer 2016. In order to apply for this funding, CYS must have a letter of support that identifies a site for the CRC.

ARLINGTON DRIVE PROPOSAL

THA owns Arlington Drive, a 3.5 acre parcel adjacent to Salishan and buffered by First Creek gulch. The site has approximately .5 acre of wetlands and new developments must allow for a 50' buffer around the wetland. This leaves about 2.5 acres of buildable land. The land appraised for \$1.3 million in 2008. Real Estate Development (RED) staff estimate the land now to be worth about \$1 million. THA has no current plans for the site.

The City, the County and CYS would like to use one acre of Arlington Drive to develop the crisis residential facility (CRC). This would be a newly constructed 4,000-5,000 square foot, single-family, single-level home to house up to 15 youth at any given time. The City, the county and CYS think Arlington Drive is the best site for this home. They think it offers an appealing therapeutic and residential setting for the children. CYS would staff and operate the home which the State of Washington would license. The site is properly zoned for this use.

Recommendation

Staff recommend that the Board approve this resolution. It would authorize and direct the Executive Director to do two things, which I explain in further detail below:

- *Negotiate and Sign Contingent Letter of Commitment*
The resolution would authorize the Executive Director to negotiate with the City, the County and CYS and, if those negotiations are successful, to sign a letter committing Arlington Drive as the site for the CRC facility. This letter would state that the commitment is contingent on THA and the City and others reaching agreement in the form of a contract stating the terms of use for the Arlington Drive site. A draft of the letter of commitment is attached.
- *Negotiate for Board Review a Contract, with the City of Tacoma and others, setting the terms of use of Arlington Drive.*
The resolution would direct the Executive Director to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. Below I propose the general terms such an agreement would cover.

1. FACTORS GOVERNING THE RECOMMENDATION

The following seven factors inform the staff's recommendation:

1.1 *Urgency of Need in Tacoma and Pierce County to Serve Homeless Youth Without Families and Homeless Young Adults*

Pierce County has not had stable shelter, CRC facilities or transitional housing for homeless or needy youth and young adults for thirty years. Their number continues to grow and they continue to make their way into adulthood without housing and without services, at enormous costs to them and to our community.

This is a good time for our community to step up, including THA. Years of planning has identified the required continuum of services. The City and the County are willing to commit funds for the purpose. Funding from the state is now available. A highly capable service provider, CYS, is ready to assume operational responsibilities.

1.2 *The Site's Suitability for the Population of Young People*

We must be assured that Arlington Drive is a suitable site for the young people to be served. We relied on the expert judgment of Community Youth Services (CYS) to make this assessment. CYS reports that the Arlington Drive site is very suitable. It will allow for an appealing, residential setting screened from neighbors by First Creek Gulch. It is near a middle school, the EastSide Recreation Center that MetroParks will build shortly, parks, and bus transportation.

1.3 *Fit for the Salishan Community and Surrounding Area*

The proposed uses must also be a good fit for the nearby neighborhood of Salishan and Portland Avenue. To judge this we will consult the experience of CYS, which has long managed similar programs in Thurston County. We also know that the fit depends on the skill and competence of the service provider and manager. For this reason we value the high capacity of CYS. For this same reason, in our agreement with the City, we will retain an adequate ability to intervene should the service provider lose its capacity. We will also participate with the City, the County and CYS, in a meaningful effort to elicit and consult the views of the surrounding community about the development and its ongoing operation. This consultation has already begun.

1.4 *Capacity of Service Provider*

The City and Pierce County selected CYS through a competitive Request for Qualifications (RFQ) process. CYS has 40 years of experience in Thurston County operating similar facilities. It is well respected for this work. It is financially secure with a solid operational and fundraising capacity. CYS has also hired Kurt Miller as its Executive Director of Pierce County Operations. Kurt comes with his own impressive set of experience and expertise. He was the former director of REACH, a housing and employment service organization serving this same population. He is also a former Tacoma Public School board member. THA knows him well in a long and very positive array of collaborations.

1.5 *THA Retaining Adequate Control*

THA needs to retain adequate control of the property's use. This measure of control is necessary to protect several THA interests: its interest in Salishan and its high standards of design and community functioning, its interest in the welfare of the youth to be served and the high quality of services they will need; its stewardship over land that it will continue to own, and its interest in the considerable investment it is making in this enterprise through its donation of the property's use. For these purposes, THA needs an agreement with the City with the following elements: THA lease (not sale) of the property; THA as master planner and developer of the campus; adequate THA control over the selection and retention of the service provider.

1.6 *Design*

THA's strong investment in the design of the Salishan neighborhood gives THA a strong interest in ensuring that the Arlington Drive buildings and campus look lovely. This is also important for the youth who will live there. For this purpose, it will need approval authority of exterior design.

1.7 *What does this use of one acre of Arlington Drive mean for the use of the remaining two acres?*

The THA Asset Management Committee does not support dividing the Arlington Drive property. We only support this proposal as part of a master plan to use the entire site as a campus to support youth and young adults. We come to this recommendation for two reasons. **First**, the property's main value is for an undivided use. If we rented or sold only 1 acre to the City for a CRC only, we would have a harder time finding a use the remaining 2 acre, especially since the wetlands make some of the land unbuildable. **Second**, the homeless youth and young adults of our community need the full continuum of services, not only a CRC but also a shelter, a drop in center, transitional housing, job training facility and administrative offices for the service provider. Arlington Drive is a rare chance to get it all done.

The following two recommendations account for all of these factors:

2. NEGOTIATE AND SIGN A CONTINGENT LETTER OF COMMITMENT

The resolution would authorize the Executive Director to negotiate, and if those negotiations are successful, to execute a letter committing Arlington Drive as the site for the CRC facility. This letter would state that the commitment is contingent on THA and the City and others reaching agreement in the form of a contract stating the terms of use for the Arlington Drive site. A draft of the letter of commitment is attached. CYS would use this letter to support its application to the state for operational funding for the CRC.

3. NEGOTIATE MEMORANDUM OF UNDERSTANDING (MOU) OR EQUIVALENT CONTRACT FOR SUBMITTAL TO BOARD

The resolution would direct the Executive Director to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. The contract should provide for the following terms:

- *Lease of the land and Required Uses*

The contract will provide for THA's lease to the City of Tacoma of all 3.5 acres of Arlington Drive. THA would not charge rent for this use. The rent free use of this \$1 million property would be THA's contribution to the effort to serve these homeless and needy young people of our community.

The City will be required to use the land as a campus for services for homeless or needy youth and young adults aged 12-24. The City will be responsible for providing or arranging the finances to build and operate the necessary facilities on a schedule that the contract will direct. The City will own the facilities. These facilities will include the following:

- the first planned use of the site would be approximately one acre for the Crisis Residential Center facility to be built and opened within eighteen (18) months of the execution of the agreement;
- a young adult shelter and daytime drop in center within eighteen (18) months of the execution of the agreement, unless the City, within that time, develops and opens an adequate shelter and drop in center at another site in the City;
- transitional housing for young adults;
- a job training center;
- administrative offices for the service provider(s) at the site.

- *THA shall approve design standards for any structure to be built at Arlington Drive.*

- *THA shall serve as the lead master planner and developer for the entire site.*

- *High Capacity Services Provider*

The City shall contract with and manage a high quality service provider to manage each building, and its services, on the site. The City shall obtain THA's approval of any such provider, which approval THA will not unreasonably withhold. The contract will provide a process that will allow THA or the City to direct a change in providers should either judge that a change is appropriate or necessary to ensure the provision of high quality service to the youth.

- The agreement will provide for a meaningful consultation process to elicit and consider the views of the community for the use of Arlington Drive in both its initial development and in its ongoing operations.
- The City will retain ownership of any building built on Arlington Drive. After the lease terminates for any reason, ownership of any buildings on the site will revert to THA.
- The lease shall provide for an early termination for the City's failure to fulfill its terms, at which time ownership of any buildings on the site will revert to THA.

In conclusion, staff believe that under the leadership of the City and the County, our community has a long overdue chance to effectively address a long standing disaster for a growing number of homeless youth without families and homeless young adults. Much more discussion will be necessary with the City, the County and CYS. We recommend that the Board authorize the Executive Director to negotiate THA's contribution to this important effort. We recommend the Board's approve resolution 2016-06-22(5).



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-06-22(5)

Arlington Drive Land Use Proposal for Youth Housing and Services

A RESOLUTION of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, The City of Tacoma and Pierce County have a growing population of homeless youth without families and homeless young adults; and

WHEREAS, The City of Tacoma and Pierce County are presently without the services necessary to responsibly and effectively serve these young people; and

WHEREAS, As a result these young people face physical and sexual exploitation, lifelong developmental and educational impairments, health and mental health damage, and blighted economic and emotional prospects, and our City and County face increased costs of emergency services, mental health and health services and judicial and jail services; and

WHEREAS, The City and the County over years of planning have identified the continuum of services necessary to address the problem; and

WHEREAS, This a promising and rare occasion to help our community address this problem, for several reasons: the City and the County show a willingness to commit the funds necessary to build and operate these services, they have chosen Community Youth Services, a high capacity service provider, for the purpose; the State of Washington is offering funds for operational expenses; and

WHEREAS, The City, the County and the service provider have asked THA for use of THA's property of Arlington Drive near Salishan, valued at \$1 million, to site a Crisis Residential Center; and

WHEREAS, After two years of looking, the City has not been able to identify other sites; and

WHEREAS, Serving homeless youth without families and homeless young adults fits well within THA's mission and strategic objectives; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:

1. THAs Executive Director is directed and authorized to negotiate and if those negotiations are successful, to sign a letter committing the use of Arlington Drive as the site for a Crisis Residential Center. This letter shall state that the commitment is contingent on THA and the City of Tacoma reaching agreement in the form of a contract stating the terms of use

for the Arlington Drive site. The letter may be in substantially the form showing in the attached draft.

2. The Executive Director is directed to negotiate a contract with the City of Tacoma and others setting the terms of use for the Arlington Drive site, and if he judges those negotiations to be successful, to submit the agreement to the Board for its review and approval. The terms of the agreement will cover the following:

- *Lease of the land and Required Uses*

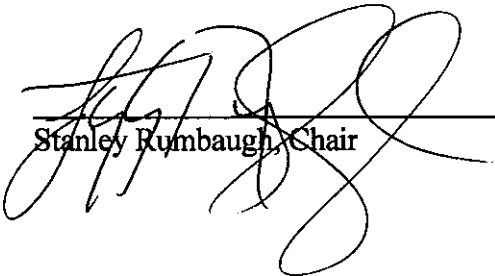
The contract will provide for THA's lease to the City of Tacoma of all 3.5 acres of Arlington Drive. THA would not charge rent for this use. The rent free use of this \$1 million property would be THA's contribution to the effort to serve these homeless and needy young people of our community.

The City will be required to use the land as a campus for services for homeless or needy youth and young adults aged 12-24. The City will be responsible for providing or arranging the finances to build and operate the necessary facilities on a schedule that the contract will direct. The City will own the facilities. These facilities will include the following:

- the first planned use of the site would be approximately one acre for the Crisis Residential Center facility to be built and opened within eighteen (18) months of the execution of the agreement;
 - a young adult shelter and daytime drop in center within eighteen (18) months of the execution of the agreement, unless the City, within that time, develops and opens an adequate shelter and drop in center at another site in the City;
 - transitional housing for young adults;
 - a job training center;
 - administrative offices for the service provider(s) at the site.
- *THA shall approve design standards for any structure to be built at Arlington Drive.*
 - *THA shall serve as the lead master planner and developer for the entire site.*

- *High Capacity Services Provider*
The City shall contract with and manage a high quality service provider to manage each building, and its services, on the site. The City shall obtain THA's approval of any such provider, which approval THA will not unreasonably withhold. The contract will provide a process that will allow THA or the City to direct a change in providers should either judge that a change is appropriate or necessary to ensure the provision of high quality service to the youth.
- The agreement will provide for a meaningful consultation process to elicit and consider the views of the community for the use of Arlington Drive in both its initial development and in its ongoing operations.
- The City will retain ownership of any building built on Arlington Drive. After the lease terminates for any reason, ownership of any buildings on the site will revert to THA.
- The lease shall provide for an early termination for the City's failure to fulfill its terms, at which time ownership of any buildings on the site will revert to THA.

Approved: June 22, 2016


Stanley Rumbaugh, Chair

<Date to be inserted>

With this letter, Community Youth Services is applying for the Office of Youth Homelessness Request for Proposal for CRC and Hope program services.

Community Youth Services, the **City of Tacoma**, **Pierce County** and the **Tacoma Housing Authority** have partnered in the development of a facility for Crisis Residential Center (CRC), Hope (beds used for youth experiencing homelessness), Runaway and Homeless Youth (RHY) and other emergency sheltering services.

Pierce County is designated a high needs county for young people experiencing homelessness. The community has been without dedicated services for this population for over 30 years. Currently, CYS hold contracts with the City of Tacoma and Pierce County to operate an overnight shelter at a temporary location. Community Youth Services, the City of Tacoma and Pierce County are collaborating to develop a facility that can meet the needs of youth who are experiencing homelessness in Pierce County. A permanent site has been identified for the development of a youth facility or teen home on a property belonging to the Tacoma Housing authority. The teen home will provide 24 hour/day, 7 day/ week crisis residential services for youth between 12 and 18 years of age. This letter represents the commitment between all four parties.

This commitment includes:

- Dedicated funds from both the City of Tacoma and Pierce County are ready to serve as match to both state and federal awards.
- Tacoma Housing Authority has available property, known as the "Arlington" property which is identified specifically for the teen home facility. The commitment of the land is by lease to the City of Tacoma. The lease terms and other terms will be outlined in a contract between Tacoma Housing Authority and the City of Tacoma and others that the Tacoma Housing Authority Board of Commissioners must approve.
- The project timeline for completion of the 12-15 bed facility will fall well within the September 2016 to August 2017 Office of Youth Homelessness contract period.

We sign this to denote our pledge to this important project. Please feel free to contact us if you have questions or if you require more information.

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A community partnership to end youth homelessness

